

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 95-272-C - ORDER NO. 96-647
SEPTEMBER 16, 1996

IN RE: Application of GTE Card Services, Inc.) ORDER
for a Certificate of Public Convenience) APPROVING
and Necessity to Operate as a Reseller) AMENDMENT TO
of Telecommunications Services within) CERTIFICATION
the State of South Carolina.) ORDER, GRANTING
) RECONSIDERATION,
) APPROVING TARIFF
) REVISIONS, AND
) CANCELLING
) HEARING

This matter came before the Public Service Commission of South Carolina (the Commission) by way of the Amended Petition of GTE Card Services Incorporated D/B/A GTE Long Distance (GTE Card) to amend Order No. 95-1268 to remove certain marketing restrictions agreed to by GTE Card prior to passage of the Federal Telecommunications Act of 1996. GTE Card's Amended Petition was filed pursuant to S. C. Regulation 103-836. GTE Card also filed proposed tariff revisions for consideration as part of this Docket.

The Commission's Executive Director instructed GTE Card to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the affected areas. The purpose of the Notice of Filing was to inform interested persons of GTE Card's Amended Petition to Amend Order and the manner and time in which

to file the appropriate pleadings for participation in the proceeding. GTE Card complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. AT&T Communications of the Southern States, Inc. (AT&T), the Consumer Advocate for the State of South Carolina (the Consumer Advocate), BellSouth Telecommunications, Inc. (BellSouth), and the South Carolina Public Communications Association (the SCPCA) intervened.

Notice of GTE Card's proposed tariff revisions was published in the Public Service Commission Filing Subscription Service. In response to this Notice, AT&T filed its second Petition to Intervene.

Discussions between GTE Card and the Consumer Advocate led GTE Card to agree to certain changes in its proposed tariff revisions. Subsequently, the Consumer Advocate informed the Commission that he was satisfied that GTE Card's proposed tariff revisions were consistent with those of other resellers approved by the Commission, and that the Consumer Advocate would not participate in the scheduled hearing in this Docket.

GTE Card further reached agreement with BellSouth and the SCPCA. The SCPCA has moved to withdraw from the proceeding, and that Motion is hereby granted. BellSouth has informed the Commission that it will not participate in the scheduled hearing in this Docket.

AT&T and GTE Card agreed to a Stipulation intended to satisfy AT&T's objections to both the Amended Petition to Amend Order and

the proposed tariff revisions. (See, attached Exhibit 1). In exchange for GTE Card's agreement to the Stipulation, and upon the Commission's approval thereof, AT&T requests that its Petition to Intervene be withdrawn. That request is hereby granted.

There being no intervenors or further objections to GTE Card's Amended Petition to Amend Order or proposed tariff revisions, no hearing is necessary. After considering GTE Card's Petition and Amended Petition to Amend Order, the Proposed tariff revisions, and the Stipulation between AT&T and GTE Card, the Commission hereby issues its findings and fact and conclusions of law:

FINDINGS OF FACT

1. On June 23, 1995, the South Carolina Public Service Commission issued Order No. 95-1268, granting GTE Card a Certificate of Public Convenience and Necessity to resell competitive telecommunications services in South Carolina.

2. In its Conclusions of Law in Order No. 95-1268, the Commission ordered that "the Stipulations between GTE and Southern Bell and GTE and SCPCA are approved and made a part of this Order."

3. The Stipulation between GTE Card and the SCPCA attached to Order No. 95-1268 provides for certain restrictions on GTE Card and limits its ability to market its debit card services with GTE South Incorporated (GTE South).

4. The Stipulation also provides that, "In the event that a change occurs in either state or federal law, or both, which the

Applicant determines affects its rights and conduct under this Stipulation, the Applicant shall have the right to petition the Public Service Commission of South Carolina for relief from any or all of the above stipulations."

5. AT the time GTE Card entered into the Stipulation with SCPCA, GTE Card was prohibited from marketing its services in conjunction with its related corporation, GTE South, by reason of the GTE Consent Decree. In February, 1996, the Telecommunications Act of 1996 was signed into law and became effective. Under Section 602(a)(2), any conduct or activity that was, before the Act, subject to any restrictions or obligations imposed by the GTE Consent Decree is, after enactment of the Act, subject only to the requirements of the Act. Nothing in the Telecommunications Act of 1996 prohibits GTE Card from marketing its services in conjunction with GTE South.

6. Paragraph 5 of the Stipulation between GTE and SCPCA recognizes that changes such as those brought about by the Telecommunications Act of 1996 may warrant lifting of requirements of the Stipulation. Pursuant to that paragraph, GTE Card filed its Petition to Amend Order on February 23, 1996, which Petition was amended on May 31, 1996. Under the Petition and Amended Petition, GTE Card seeks relief from Paragraph 1, 3, and 4 of the Stipulation between GTE Card and the SCPCA. Such relief is contemplated by the Stipulation and is reasonable and warranted under the circumstances of this case.

7. Although the Telecommunications Act of 1996 does not

prevent GTE Card from marketing its services with GTE South, AT&T expressed concern about any competitive advantage which might flow to GTE Card because of the Commission's current timetable for implementation of 1+ intraLATA equal access. To address AT&T concerns, GTE Card has agreed to certain restrictions on joint marketing set forth in a September 3, 1996 Stipulation between GTE Card and AT&T. The Stipulation between GTE Card and AT&T is reasonable and should be approved.

8. On May 31, 1996, GTE Card filed proposed tariff revisions to expand its offerings in the long distance telecommunications market. The proposed tariff revisions were noted as TN. 96-241 and were assigned to Docket No. 96-252-C. On August 6, 1996, AT&T filed a Petition to Intervene in the tariff filing. Included in its Petition to Intervene, AT&T included a request that the Commission suspend the tariff filing until a ruling was made on the Amended Petition in the instant Docket. AT&T asserted that the tariff filing and the Amended Petition held the same concerns for AT&T. At its regularly scheduled meeting on August 13, 1996, the Commission granted AT&T's request and suspended the tariff filing until a ruling was made on the Amended Petition in this Docket. The Commission's Order regarding this decision was issued on August 19, 1996.

9. On August 14, 1996, GTE Card filed a Petition for Reconsideration and Rehearing of the Commission's decision suspending the tariff filing. Based on the Stipulation approved herein, the Commission grants GTE Card's request for

reconsideration. Based on the Stipulation which is approved herein, the Commission finds GTE Card's proposed tariff revisions reasonable and believes the proposed tariff revisions should be approved.

CONCLUSIONS OF LAW

1. Based on the above findings of fact, the Commission determines that Order No. 95-1268 should be amended to delete Paragraphs 1, 3, and 4 from the Stipulation between GTE Card and the SCPCA and to relieve GTE Card from any further compliance therewith. Other than as stated herein, Order No. 95-1268 remains in full force and effect.

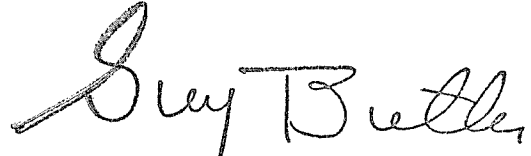
2. GTE Card's proposed tariff revisions filed with the Commission on May 31, 1996, in the form of Tariff No. 2 (96-241), are hereby approved.

3. The September 3, 1996 Stipulation between GTE Card and AT&T is hereby approved, and the obligations imposed on the parties therein are made a part of this Order.

4. As the Amended Petition and the tariff revisions are approved herein, a hearing on these matters is no longer necessary. Therefore, the Commission rescinds its Order No. 96-563 (dated August 19, 1996) which established prefiling dates and further cancels the hearing in this Docket which was scheduled for October 23, 1996.

5. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)